

6 December 2018

ASX Announcement

Securities to be released from Escrow

Pursuant to ASX Listing Rule 3.10A, Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”) confirms that the following securities will be released from escrow on 22 December 2018.

The Shares being released from escrow are held primarily by the Directors and major founding shareholders (80%) who remain committed to the Company and its growth potential.

Securities	Number
Fully Paid Ordinary Shares	107,633,963
Performance Shares	25,000,000
Options (\$0.25, expiring 31 Dec 2019)	1,500,000

Stephen Hewitt-Dutton
Company Secretary

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For further information please contact:

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About Dragontail Systems

Dragontail is revolutionising the Quick Service Restaurant (QSR) and foodservice industry with its Algo System and computer-vision QT quality system that uses artificial intelligence (AI) machine learning.

The Algo System uses a sophisticated patented algorithm to optimise and manage the entire food preparation process from order to delivery. It is the first system in the world to fully automate and streamline the kitchen flow to deliver an immediate and significant return on investment to fast food and quick service restaurants.

The QT system’s sensor and camera automatically monitor the preparation and cooking process in the kitchen to improve the quality and consistency of meals. Using proprietary advanced AI machine-learning technology, the system keeps improving its diagnostics, becoming even more efficient.

For more information, visit www.dragontailsystems.com.